

# SENATE MOTION

**MADAM PRESIDENT:**

**I move** that Senate Bill 87 be amended to read as follows:

- 1 Page 3, between lines 10 and 11, begin a new paragraph and insert:
- 2 "SECTION 2. IC 27-8-5.4 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2009]:
- 5 **Chapter 5.4. Payment to Noncontracted Dental and Vision**
- 6 **Providers**
- 7 **Sec. 1. The definitions in IC 27-8-11-1 apply throughout this**
- 8 **chapter.**
- 9 **Sec. 2. As used in this chapter, "insurer" means an insurer that**
- 10 **issues a policy of accident and sickness insurance (as defined in**
- 11 **IC 27-8-5-1) that does not provide coverage for basic health care**
- 12 **services (as defined in IC 27-13-1-4).**
- 13 **Sec. 3. As used in this chapter, "noncontracted provider" means**
- 14 **a provider that has not entered into an agreement with an insurer**
- 15 **under IC 27-8-11-3.**
- 16 **Sec. 4. As used in this chapter, "provider" refers to a provider**
- 17 **of dental services or vision services.**
- 18 **Sec. 5. If an insured receives covered dental services or vision**
- 19 **services that:**
- 20 **(1) are provided by a noncontracted provider; and**
- 21 **(2) for which:**
- 22 **(A) the total cost is at least one hundred dollars (\$100); and**
- 23 **(B) a claim is submitted on the appropriate claim form;**
- 24 **the insurer shall make a benefit payment directly to the**
- 25 **noncontracted provider for the covered dental services or vision**
- 26 **services and send written notice of the payment to the insured or**
- 27 **the authorized representative of the insured.**
- 28 **Sec. 6. (a) If an insurer makes a payment to an insured for a**
- 29 **covered dental service or vision service provided by a**
- 30 **noncontracted provider, the insurer shall include a disclosure with**
- 31 **the payment instrument that instructs the insured to forward the**

1 payment to the noncontracted provider if the insured has not paid  
2 the noncontracted provider in full.

3 (b) The disclosure provided in subsection (a) must include the  
4 following information:

- 5 (1) The claims covered by the payment instrument.
- 6 (2) The amount paid by the insurer for each claim.
- 7 (3) Any amount of a claim that is the insured's responsibility.
- 8 (4) A statement in at least 14 point type that:
  - 9 (A) instructs the insured to forward any amount owed to
  - 10 the noncontracted provider;
  - 11 (B) specifies that paying the noncontracted provider is the
  - 12 insured's responsibility; and
  - 13 (C) states that failure to make the payment violates the law
  - 14 and may result in collection proceedings.

15 Sec. 7. (a) Except as provided in subsection (c), a noncontracted  
16 provider or the noncontracted provider's agent shall disclose to an  
17 insured in writing the following applicable information:

- 18 (1) That the noncontracted provider has not entered into an
- 19 agreement with the insurer under IC 27-8-11-3 to provide
- 20 dental services or vision services to the insured.
- 21 (2) That the insured may be billed for dental services or vision
- 22 services for which payment is not made by the insurer.

23 (b) If the disclosure required under this section is included in a  
24 document containing consent for treatment, the disclosure must be  
25 conspicuously displayed.

26 (c) A disclosure is not required under this section if the  
27 noncontracted provider does not know and could not reasonably  
28 know that the insured is covered under a policy issued by an  
29 insurer in which the noncontracted provider has not entered into  
30 an agreement for the delivery of dental services or vision services.

31 Sec. 8. This chapter does not prevent an insurer from  
32 voluntarily issuing a direct payment to a noncontracted provider."

33 Page 4, delete lines 9 through 42, begin a new paragraph and insert:  
34 "SECTION 4. IC 27-13-36.4 IS ADDED TO THE INDIANA CODE  
35 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
36 JULY 1, 2009]:

37 Chapter 36.4. Payment to a Nonparticipating Dental and Vision  
38 Providers

39 Sec. 1. As used in this chapter, "nonparticipating provider"  
40 means a provider that has not entered into an agreement with a  
41 limited service health maintenance organization.

42 Sec. 2. As used in this chapter, "provider" refers to a provider  
43 of dental services or vision services.

44 Sec. 3. If an enrollee receives covered dental services or vision  
45 services that:

- 46 (1) are provided by a nonparticipating provider; and
- 47 (2) for which:
  - 48 (A) the total cost is at least one hundred dollars (\$100); and

(B) a claim is submitted on the appropriate claim form; the limited service health maintenance organization shall make a benefit payment directly to the nonparticipating provider for the covered dental services or vision services and send written notice of the payment to the enrollee or the authorized representative of the enrollee.

Sec. 6. (a) If a limited service health maintenance organization makes a payment to an enrollee for a covered dental service or vision service provided by a nonparticipating provider, the limited service health maintenance organization shall include a disclosure with the payment instrument that instructs the enrollee to forward the payment to the nonparticipating provider if the enrollee has not paid the nonparticipating provider in full.

(b) The disclosure provided in subsection (a) must include the following information:

- (1) The claims covered by the payment instrument.
- (2) The amount paid by the limited service health maintenance organization for each claim.
- (3) Any amount of a claim that is the enrollee's responsibility.
- (4) A statement in at least 14 point type that:
  - (A) instructs the enrollee to forward any amount owed to the nonparticipating provider;
  - (B) specifies that paying the nonparticipating provider is the enrollee's responsibility; and
  - (C) states that failure to make the payment violates the law and may result in collection proceedings.

Sec. 7. (a) Except as provided in subsection (c), a nonparticipating provider or the nonparticipating provider's agent shall disclose to an enrollee in writing the following applicable information:

- (1) That the nonparticipating provider has not entered into an agreement with the limited service health maintenance organization to provide dental services or vision services to the enrollee.
- (2) That the enrollee may be billed for dental services or vision services for which payment is not made by the limited service health maintenance organization.

(b) If the disclosure required under this section is included in a document containing consent for treatment, the disclosure must be conspicuously displayed.

(c) A disclosure is not required under this section if the nonparticipating provider does not know and could not reasonably know that the enrollee is covered by a limited service health maintenance organization with which the nonparticipating provider has not entered into an agreement for the delivery of dental services or vision services.

Sec. 8. This chapter does not prevent a limited service health maintenance organization from voluntarily issuing a direct

- 1     **payment to a nonparticipating provider."**
- 2         Delete page 5.
- 3         Renumber all SECTIONS consecutively.
- 4         (Reference is to SB 87 as printed February 20, 2009.)

---

Senator SIMPSON